2. Executive Summary

Overview

The Southwest Waterfront has gained a momentum that was hard to imagine when the planning process commenced one year ago. Over the last year, the planning team has endeavored to incorporate the feedback of neighborhood residents, local businesses, government agencies, and technical experts as the vision for the Southwest Waterfront began to take shape. The Southwest Waterfront Development Plan and the AWI Southwest Waterfront Vision outlined in this report are the result of this interactive planning process. The fundamental planning principles that were developed in this community-based process form the backbone of this report. These principles reflect a shared ambition to create a true urban waterfront as both an extension of the neighborhood to the water and as a regional destination.

Southwest Waterfront Planning Principles

- Build on existing neighborhood strengths
- · Consolidate land resources
- · Coordinate with other on-going planning efforts
- Support efforts to improve environmental quality
- Ensure a range of access options
- Enhance connections from neighborhood to waterfront
- · Improve public access to the water itself
- Extend continuous, well-defined trail links along the Channel
- · Provide a generous public water's edge promenade
- · Create new public places along the waterfront
- Create neighborhood setting with appropriate scale and density
- Relate to the larger urban context
- · Integrate parking in urban form
- · Create varied and appealing architecture

The Southwest Waterfront Development Plan is designed for nearterm implementation. The NCRC and the DC Office of Planning believe it will initiate remarkable positive change for the neighborhood.



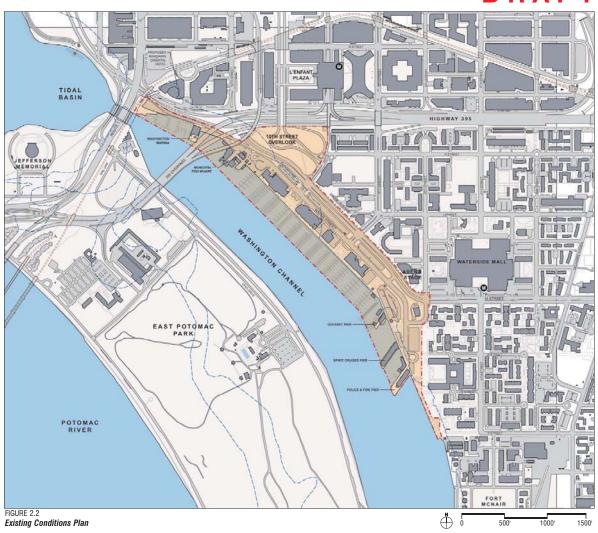


Aerial View of the AWI Southwest Waterfront Vision looking North

Rendering By Michael McCann

The Opportunity

The Southwest Waterfront offers the opportunity to create a uniquely urban waterfront neighborhood setting. The current low utilization of this centrally located site and the extent of public ownership of land is complemented by positive market conditions and broad community support for a more public, active and environmentally improved waterfront. These factors contribute to the creation of an exceptional opportunity to rethink how the area can be more actively used by residents and visitors alike.



The Southwest Waterfront Development Plan

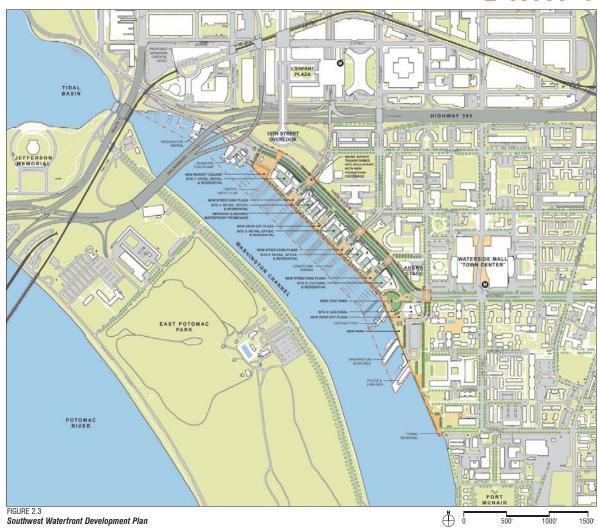
The Southwest Waterfront Development Plan ("Development Plan") aims to reactivate the Southwest Waterfront through a number of short and mid-term actions that will reshape the land-use of the District and NCRC/RLARC-owned parcels and roadbeds along the waterfront. The Development Plan is complemented by the recommendations of the AWI Southwest Waterfront Vision, but the Development Plan stands alone as a planning document ready for immediate implementation.

The first step in the transformation of the site is to eliminate the redundancy of Water Street, a low-volume road that is mainly used to access the surface parking lots along Maine Avenue. With the elimination of Water Street, Maine Avenue will assume a more prominent and diverse role, and will be improved to become a pedestrian-friendly urban boulevard. A new commuter trail route will be created along Maine Avenue for cyclists that will link to larger District and Regional trail systems.

A network of new and improved public open spaces will draw people to the waterfront. There are two primary public gathering spaces in the Development Plan: the Market Square to the north, a hard-surface center of commerce and urban activity; and the Civic Park to the south, a spacious green space that will serve as a civic hub for the surrounding cultural institutions. Between these grand public spaces anchoring the north and south ends of the area will be a series of smaller plazas and parks that mark the ends of local streets at the Channel. The existing waterfront promenade will be widened and improved, allowing it to serve as the primary pedestrian route along the waterfront. In total land area, the public realm framework in the Development Plan will increase the amount of open space from 11% to nearly 30% of the total project land area.

The elimination of Water Street and the surface parking lots permits an increase in developable land on the waterfront, in addition to the increase in public space. The six building parcels created by these actions are far more practical in shape and size than the current parcel layout, and will accommodate the type of mixed-use development needed to make the Waterfront a lively and active urban

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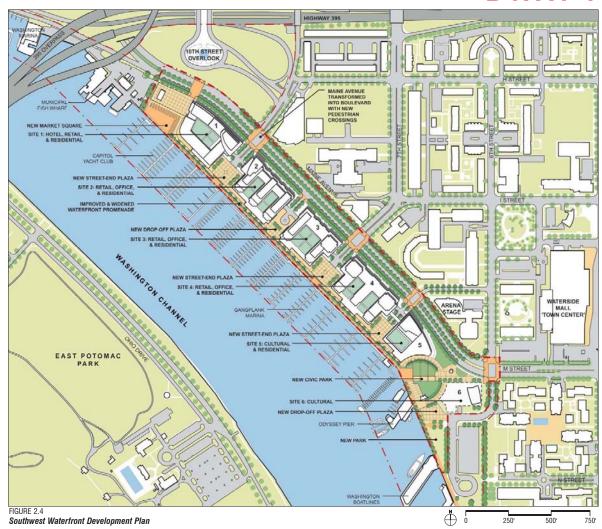
New buildings will be designed to create a vibrant pedestrian environment, with active ground floor uses. These mixed-use buildings will include approximately 800 residential units, a 400-450 room hotel, 317,000 square feet of retail with some small office space, and 200,000 square feet for cultural and community uses. The development program allows the existing businesses to be incorporated into the revitalized waterfront.

The architectural massing is designed to reflect the character of the neighborhood, with heights varying from 6 to 12 stories, the most intensively commercial activities located at the northern end of the site, and the quieter residential and cultural activity located to the south. All parking will be located below and inside of the proposed buildings, providing for the parking needs of the development and replacing the existing parking on the site.

An active urban waterfront requires a diversity of uses and residents. Commercial uses along the waterfront will serve both the local community and regional visitors, and the proposed residential density will sustain this diversity of retail uses. Twenty percent of the new residential units are planned to be affordable for District residents at or below 50 percent and 80 percent of the area median income.

The Plan will generate significant economic benefits for the District. It will create 3,000 construction jobs, 1,500 permanent jobs, \$9 million in annual tax revenue and nearly \$2 million in one-time taxes during construction.

TABLE 2.A Development Program		
USE	DESCRIPTION	AREA
Residential	770 - 825 Housing Units (20% Affordable Units)	868,000 sf
Retail	Small Offices, Restaurants, New & Existing Stores	317,000 sf
Hotel	400 - 450 Rooms	215,000 sf
Cultural	Museum, Church, Civic Space	200,000 sf
Parking	2000 Spaces Below & Above Grade for	700,000 sf
	Buildings and Water Uses	
TOTALS		2,300,000 sf



The AWI Southwest Waterfront Vision

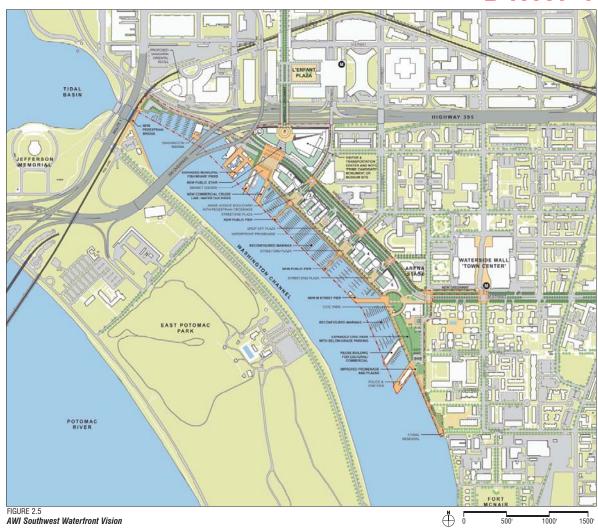
The AWI Southwest Waterfront Vision ("AWI Vision") includes a number of long-term aspirations for the Southwest Waterfront. The actions included in the Southwest Waterfront Development Plan can occur independently from the ideas outlined in the AWI Vision. However, should the ideas in the AWI Vision prove feasible, they have the potential to build on and complement the Southwest Waterfront Development Plan.

A key component of the AWI Vision is the transformation of the 10th Street Overlook, a gateway to the Southwest Waterfront, into a facility that can provide pedestrian access to the waterfront, include ample parking and bus facilities for visitors, and create a site for a major museum or memorial. The proposed Visitor and Transportation Center would be a three-level parking facility built in the place of the existing hill, forming a platform suitable for a museum or memorial equal or greater in size to the Jefferson Memorial or the East Wing of the National Gallery. A grand public staircase would lead pedestrians from the L'Enfant Promenade level down to a new Maine Avenue crossing at the proposed Market Square.

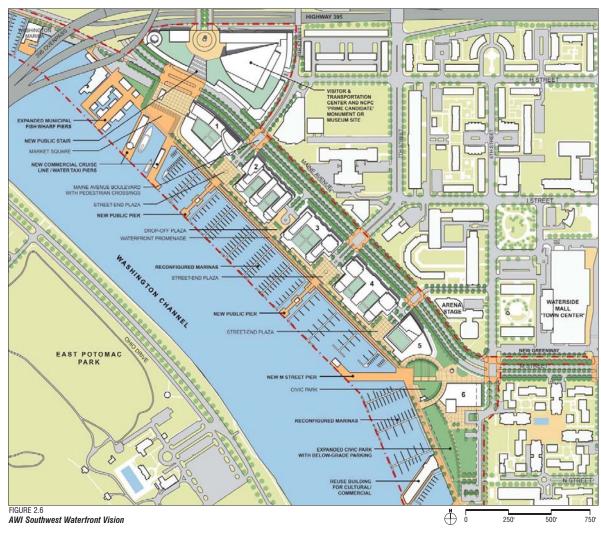
The construction of the Visitor and Transportation Center will allow for another key move in the AWI Vision: the relocation of the cruise ship operations from their current base to a set of new piers that would extend from the Market Square into the Channel. This move allows for the coordination of land-side and water-side activities-with the most active and commercial water uses concentrated at the northern end of the site and the guieter and more residential water uses located to the south. Such a reconfiguration could occur without any reduction in the total number of marina slips.

Moving the cruise ships from the south end of the site would allow for the removal of the parking and bus access area serving these ships, thus freeing additional land area for a more expansive Civic Park. The Civic Park in the AWI Vision would include a grand public pier extending the line of M Street out over the Channel. In addition to the M Street pier, new piers would extend out from the 7th Street and 9th Street public plazas, further connecting the neighborhood to the waterfront.





Other long-term components of the AWI Vision include an expansion of the Fish Wharf, the creation of a Washington Channel water taxi and ferry system, enhanced connections to the Metro and/or the creation of a new Metro station on the Waterfront, an extension of the Proposed Light Rail system along Maine Avenue, and improved pedestrian connections between the Jefferson Memorial and the Southwest Waterfront with a new footbridge located at the Tidal Gates.



Next Steps and Implementation

The implementation and financing strategies for a plan as ambitious and with such significant public benefit as the Development Plan will require a substantial investment of energy and funds by NCRC, the District, and the private sector. NCRC must decide how to manage the development, either through the creation of a subsidiary corporation or by building the capacity within its own organization.

NCRC will be responsible for overall development management, seeking joint development partners and obtaining public funding for infrastructure and pre-development costs. The District must work together with NCRC at every step of the process and will be responsible for submitting the Plan for City Council and zoning approval.

The estimated public investment required for infrastructure and transportation costs and park and public space costs in the Development Plan is \$25 million. The private investment required for the development of the five mixed-use parcels (at densities recommended in the Development Plan) will range between \$275 million and \$375 million. In addition to these costs, NCRC will be required to make an additional investment to acquire the leases and/or development rights of the existing businesses on the Waterfront.

Without including these real estate costs, each dollar of public investment will leverage between \$11 and \$15 of private investment in the site. The total investment required to make the Development Plan a reality must be distributed among all parties that will benefit from the improved Waterfront: the District, the Federal government. NCRC, and private developers. There are many feasible options for dividing these costs.

Substantial revenue will be generated from the recommended development scenario, which must be used to compensate both NCRC and the District for their significant investments in the project. NCRC and the District will need to come to an agreement regarding how these returns should be distributed.



View of Proposed Development and Public Space along the Waterfront

The NCRC Board of Directors approved the Development Plan in October 2002. The next steps in the implementation of the Plan include:

- · City Council approval of the Plan;
- Re-zoning of the Southwest Waterfront;
- Approval of the revised zoning by the National Capital Planning Commission;
- · Closing Water Street:
- · Seeking public funds for infrastructure and parks.

Rendering By Michael McCanr

Summary of Appendices

A. Public Process

The current planning process in the Southwest Waterfront builds on a number of important earlier planning efforts. The vision for the Southwest Waterfront is an integral component of the Anacostia Waterfront Initiative, a project which brings together key parties to work towards the creation of a clean and vibrant District waterfront with parks, recreation uses and urban waterfront settings. Other planning efforts that inform this document include the 1997 National Capital Planning Commission Legacy Plan, the NCPC Museums and Memorials Plan, and the 1998 ULI Study of the Southwest Waterfront.

Throughout the current planning process, the planning team worked closely with residents, businesses, and government agencies affected by the potential redevelopment of the Southwest Waterfront. The ongoing community engagement included two days of stakeholder focus groups in December of 2001, and public presentations and workshops in February of 2002 attended by over 350 community members, and in July of 2002, attended by over 300 community members.

B. Market and Real Estate Economics

The District is experiencing a high demand for housing that continues to outstrip supply. The diverse residential market, including young professionals and government workers as well as empty nesters and retirees, is particularly attracted to waterfront and downtown locations. The income mix in the Southwest is one of the most diverse in the District, and maintaining such a mix in new developments will be a key factor in ensuring maximum market penetration and absorption.

Recent sales and existing residential data indicate that there will be a significant demand for residential units in mid-rise condominium and rental developments in a unique waterfront neighborhood setting close to the District's downtown. There is a great opportunity to combine this residential demand with a parallel demand for a range of amenities for public enjoyment including boating activities, outdoor markets, water-related restaurants, cafes, and retail, and cultural and civic institutions.

C. Transportation and Parking

Current traffic challenges in the Southwest include congestion on Southwest streets during peak commuter periods: parking supply and management problems at the Fish Market, Washington Marina and Arena Stage, and with tour buses throughout the neighborhood; and the lack of adequate bicycle and pedestrian access through the site and along the waterfront. Although the Southwest neighborhood is easily accessed by the regional highway network, it is more difficult for local foot and vehicle traffic to access the neighborhood and the waterfront.

The Development Plan will eliminate Water Street and transform Maine Avenue into a true urban boulevard. The elimination of Water Street combined with the higher density in the Development Plan will undoubtedly result in increased traffic on Maine Avenue, but preliminary estimates indicate that Maine Avenue has the capacity to accommodate additional volume. Including this increase. Maine Avenue would still be comparable to many similar boulevards in the District. New signals on Maine Avenue will create a more pedestrian friendly environment and reduce traffic speeds. While appropriate for an urban boulevard, these changes should not affect the capacity of Maine Avenue to handle increased traffic volumes.

The Development Plan includes a significant number of below-grade parking stalls at every site, and two to three stories of parking in the cores of the buildings on Sites 1-5. Additionally, the Development Plan includes a below-grade parking structure under the Civic Park. Through this combination of parking options, there will be more than adequate supply to meet the parking demands of the proposed development and existing uses.

D. Infrastructure and Environment

In order to inform a preliminary analysis of the impacts of the proposed development on the site, the planning team investigated the existing conditions of the environment, infrastructure, and site utilities in the project area.

Based on this analysis, the existing conditions and regulatory requirements associated with air quality, wildlife resources, water quality, and hazardous materials were shown to have a low potential for hindering or limiting the development scheme proposed in the Southwest Waterfront Development Plan. Increases in commercial, hotel, and residential land uses will increase utility demands in the project area, but initial analysis shows that adequate capacity should exist given the size, age and condition of the existing infrastructure.

The condition of the bulkhead and marine infrastructure was visually assessed, and the majority of the piers were determined to be in relatively good condition. However, the Southwest Waterfront Development Plan does not involve alterations to any existing marine structures.